

entitlement spending. Every independent observer feels that such a balance is a critical part of the solution. The question is what the balance should be between revenue increases, budget and benefit cuts, and most critical of all, how we change doing business. The reform and evolution of our government's role is central. Unless we can change the way we do business—Medicare, defense, agriculture—no amount of tax increase or program cuts will get America to where we need to be with our economy and government services.

This is the debate that we Democrats, especially those who are in the center or left of center, should welcome. This is what the majority of the American public and independent observers without an axe to grind believe to be the real issues. This is a debate that certainly has not occurred on the national level, especially during the election, but it should have. I, for one, will resist the efforts to reject out of hand the cochairs' proposals before they have even worked their way through the commission. Instead, I will focus on areas where I think agreement can be built across the political spectrum and, most important, with the American public.

In a period of spiraling deficits and reductions in government services, how high a priority is a mortgage interest deduction on expensive third homes? Do we need to spend billions of dollars protecting West Germany from the Soviet Union when both countries ceased to exist more than two decades ago, and it has been more than half a century since the end of World War II?

Many candidates who ran under the Tea Party banner have argued against the lavish, unnecessary system of agricultural subsidies that are bad for the taxpayers, bad for the environment, and shortchange most of America's small farmers and ranchers. This has been an area where Republicans and Democrats alike have labored for reform; and in some areas, we have been joined by President Obama. Don't we see the potential for a coalition to get this across the finish line?

Yes, by all means, debate the rebuilding and renewing America. This was a great point in the report. There will, for example, be high-speed trains in America in the next 20 years. The question is: Will Americans invest and build them? Or will they be built, financed, and operated by the Chinese? What is the price of our high-speed rail connections managed by foreigners, and we pay them for the privilege? This is why I hope that people across the country, especially Democrats and, in particular, our leaders, move to embrace areas of agreement.

To be sure, there are areas that I find problematic. There are some with which I strongly disagree. But they shouldn't merit rejection of the whole package before we even have the debate. Instead, I welcome the opportunity to discuss, debate, and analyze

elements on which we don't see eye to eye. How about some good old-fashioned, if somewhat boring, civic education and discourse? It is, after all, only the future of our Nation that is at stake.

GRANDFATHERING HEALTH PLANS AND 1099 REPORTING MANDATES

The SPEAKER pro tempore (Mr. INSLEE). The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

Mr. STEARNS. Mr. Speaker, we are 8 months into the passage of the more than 2,000-page health care bill, and already we are beginning to see some of the problems that the new health care law brings with it.

When Congress passed the massive health care bill, I said that it would lead to millions of Americans losing their current health care plan. I was so concerned about this happening that I offered an amendment to the bill in the Energy and Commerce Committee markup and at the Rules Committee to protect people's health care plans. It was a very simple amendment. It stated, "Nothing in this act shall be construed to prevent or limit individuals from keeping their current health coverage." This amendment was voted down in committee, and the Rules Committee prevented it from being offered on the House floor during debate on the health care bill.

□ 1240

Fast forward now 6 months, and the Department of Health and Human Services has just issued the rules that govern grandfathered health care plans. These are health plans that existed before the passage of the ObamaCare and could continue to operate as they have without all the new costly mandates and regulation that the health czar will impose.

Unfortunately, the rule governing grandfathered health plans is so restrictive that most of the current health plans will not qualify. Businesses will be forced to buy new health plans under the control of the Federal health czar.

How many will lose their current health plan? Up to 80 percent of small businesses will be forced to buy new ObamaCare-approved health care plans. Up to 64 percent of large businesses health plans will be forced to buy the new ObamaCare approved health plans.

Now, you may wonder, where do I get these numbers? It's in the regulations. HHS' regulation on grandfathered health plans clearly states that up to 80 percent of small businesses and up to 64 percent of large businesses will simply lose their current plans. They admit that it will force people out of their current health plans.

Health care reform should be about giving consumers more options, more choices, not forcing them out of the plans they currently enjoy.

Yet despite hurting small businesses for having health plans that do meet

the high standards set by HHS, just this month the Obama administration recently gave waivers to organization health plans that do not meet the requirements of the health care plan law. These plans failed to meet the law's definition of minimal coverage.

However, the Obama administration provided waivers to up to over 100 organizations, many of them unions, who offered limited benefits health care plans that do not comply with the law. If the law is good, why do you need to provide exemptions from it?

Another problem with ObamaCare is it will require all business-to-business transactions over \$600 annually to file a 1099 IRS form. This is a massive burden on small businesses. They will be forced—this will force millions of small businesses to track all their expenditures by vendors and require small businesses to obtain taxpayer information numbers from everyone they do business with.

So, has Congress tried to fix this problem? No. In fact, Democrats have taken it a step further. The recently passed Small Business Act included a provision that would expand the 1099 reporting requirement even further to included expenditures on your rental property. This means that if you spend more than \$600 over the course of a year with a handyman for repairs or improvement, you'll need to file a 1099 form.

Imagine, if you work as a general contractor and regularly buy building materials from a hardware store, you'll need to issue the store a 1099 form. If you are a trucker and regularly buy gasoline from the same gas station, you'll need to issue that gas station a 1099 form.

It is simply wrong to require additional burdens on small businesses. Small businesses represent 99 percent of all employment firms. Small businesses employ just over half of all private sector employees and 44 percent of total U.S. private sector payroll. Small businesses have generated 64 percent of the new net jobs over the past 15 years.

Yet despite a massive recession and double digit unemployment, the administration is finding new ways to hurt small businesses and prevent job growth.

Mr. Speaker, the new Republican majority will work to create jobs and not add more regulations and burdensome paperwork and, in fact, rescind these mandates.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 43 minutes p.m.), the House stood in recess until 2 p.m.